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*On the RECENT and RAPID Progress of the BRITISH TRADE with
INDIA. By RICHARD VALPY, ESQ.*

[Read before Section (F), Economic Science and Statistics, at the Meeting of the
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I.—*Introduction.*

AT a time when the finances of British India are not in a very flourishing state, and doubts have arisen as to the future of the British rule in that country, it will not be without interest to take a glance at the state of the commercial intercourse between England and India. If in addition to great financial embarrassment, the supply of the products of India was diminishing in the British markets, and there was a decreasing consumption of British manufactures in India, there would indeed be grounds for questioning the value of India as a part of the British Empire. The British trade with India is happily not in a declining state; it is rapidly increasing and promises to assume a magnitude which must influence most favourably the future prosperity both of India and England.

It is generally well known that, by far the largest trade carried on between England and any single country, is with the United States, but perhaps it is less well known, and not very generally supposed, that with continental India, our commerce is now second only to that with the thriving and wealthy United States of America. The immense supply of cotton which the Americans are able to send us, places the imports from the United States much in advance of those from India, but, in our export trade to these two countries there is far less difference. In the last year, 1858, the exports of British produce from England to India amounted to 16,782,515*l.*, and exceeded those to the United States, which were not more than 14,510,616*l.*, a low amount, it is true, for the United States. Still the comparison assists us to an estimate of the present extent of our trade with India. The year 1859 promises to show a large increase in our exports, both in our great Western and Eastern trades, and the result will probably be but little in favour of the United States. In the first six months of 1859, the value of British produce exported has been 11,783,796*l.* to the United States, and 10,109,563*l.* to India.

In 1815, the first year after the opening of the Indian trade to

British merchants, the total value of the imports and exports of this country, from and to India, amounted to 10,701,000*l.*;—in 1858, the amount was 31,754,000*l.* In 1858, therefore, the value of the British trade with India was three times more than it was in 1815. Judging by the declared value of our exports to India (there being no continuous record of the value of the imports), it is only in recent years that the British trade with India has increased to its present large proportions. The Computed Real Value of the total imports from India in each year since 1854, when the real value of imports was first ascertained at the Custom House, was :—

	£		£
1854	10,672,000	1857	18,650,000
1855	12,688,000	1858	14,972,000
1856	17,262,000		

These figures show a very considerable increase.

The average of the five years gives an annual total of nearly 15 Millions. The average of the first five years after 1815 is about 7,500,000*l.* only. Hence, on an average of five years, the value of our imports from India is now double what it was after the first opening of the trade in 1815. This increase is not so striking as that of the Exports of British produce to India, which, on a comparison of similar periods, viz., from 1855 to 1858, over 1815 to 1819, shows, on an average, four times the value. The totals for the respective periods being about 11,600,000*l.* against 2,800,000*l.*

II.—*Imports from India.*

The progress of the *Importation* of Indian products has been much greater in recent years than is apparent from a comparison of the aggregate value of the imports at different periods. If we examine the supply to the English markets of what now constitute the principal articles of export from India, a very extraordinary and gratifying increase will be seen. And, as regards the future prospects of our trade with India, it is both curious and hopeful to notice that the increase in our imports from India has not been in what may be termed the old and peculiar staples of India, such as indigo, lac dye, shellac, pepper, &c., but in articles which, twenty years ago, and, in some instances, within a much shorter period, were not imported from India at all, or only in small quantities. The value of such, comparatively, new articles of import from India, comprising hemp and jute, hides, rice, linseed and rape seed, sugar, teak, and wool, amounted, in 1858, to about 6,365,000*l.* or 43 *per cent.* of the total value of the imports.

Of the articles that we import from India, raw *Cotton* is the first in value. Although, from the enormous consumption of cotton

in this country, the proportion that comes from India is not very large, still the increase of the supply from India is by no means unimportant.

From 1833, when the East India Company ceased to be a commercial body, to 1839, the average annual imports of Indian cotton amounted to about 46 million lbs.; from 1840 to 1849, to about 75 million lbs.; and from 1850 to 1858, to about 133 million lbs. The percentage increase of the annual average was 63 per cent. in the ten years from 1840 to 1849, over the seven years from 1833 to 1839; 77 per cent. in the nine years from 1850 to 1858, over 1840 to 1849; and 188 per cent. of 1850 to 1858, over 1833 to 1839.

In 1850, there was a large increase in the imports of Indian *Cotton*, the quantity being 118,872,742 lbs., against 70,838,515 lbs. in 1849. The increased importation of 1850 has not only been maintained in the subsequent years (with the exception of 1852), but surpassed in varying degrees, being more than doubled in 1857.

The largest importation of cotton from India took place in 1857, and amounted to 250,338,144 lbs. in quantity, and 5,416,883*l.* in value; about one-fourth of the total imports of cotton in that year. In 1858 the supply of Indian cotton fell off considerably, but it, nevertheless, amounted to nearly 3,000,000*l.* in value.

Indigo is the article that we import from India, next in value to cotton, to the amount of from about 1,500,000*l.* to 2,000,000*l.* a year. The imports of this dye from India, have changed but little during the last twenty-five years. The quantities imported were about the same in 1833 and 1858 (56,388 cwts. and 55,867 cwts.), and, although between these years the annual importations varied considerably, according, probably, to the extent of the crop, still our imports of indigo have not been increased. Much more indigo is imported into this country than is required for home consumption. In 1858, 66,910 cwts. were imported from all countries, and 49,968 cwts. were exported from England to foreign countries.

After indigo we may notice *Sugar*. Of this article a large supply is now obtained from India. In 1833, only 153,994 cwts. of Indian sugar were imported, and in 1834 the smaller quantity of 101,997 cwts. These quantities were increased between 1833 and 1840, to about 500,000 cwts. In 1841, however, the imports of sugar from India rose to 1,271,582 cwts., and from 1841 to the present time, we have annually received from 1,000,000 to 1,500,000 cwts. of sugar from India. Between 1833 and 1839, the average import of Indian sugar was about 275,000 cwts., between 1840 and 1849 about 1,209,000 cwts., and between 1850 and 1858 about 1,121,000 cwts. The value of our imports of sugar from India was as much as 1,862,822*l.* in 1856, and 1,927,392*l.* in 1857. In 1858, a year of reduced imports, the value was 1,059,171*l.*

The value of the *Rice* imported from India is now little below that of sugar. In each of the last four years the value of imports of Indian rice has exceeded 1,500,000*l.* In 1853, only 179,370 cwts. of rice came from India to England, whereas in 1858, no less than 3,571,609 cwts. were received, of the value of 1,579,813*l.* The average annual imports from 1833 to 1839 were about 258,000 cwts.; from 1840 to 1849, 613,000 cwts., and from 1850 to 1858, 1,898,000 cwts. These quantities show a percentage increase of 137 per cent. in 1840-49, over 1833-39; 209 per cent. in 1850-58 over 1840-49; and 635 per cent. in 1850-58 over 1833-39. Indian rice appears to have been formerly of an inferior quality, and was favoured by a protecting duty to enable it to compete in this country with rice from America. Protection was considered indispensable to enable Indian rice to come into the English market. Mr. Porter in his "Progress of the Nation," says "The rice of Bengal has hitherto "been considered very inferior to that of America, and was unable "to bear successful competition with it, even under a 'protecting' "duty of a penny halfpenny per pound, so that when it was proposed "by the tariff of 1842, to reduce this 'protection' by 8*s.* 6*d.* per "cwt., or very nearly a penny per pound, it was confidently predicted "that the trade would be annihilated."

The extraordinary development of our Rice trade with India is not a bad illustration of the benefits derived from competition and free trade. The large quantities of rice now received from India are much more than sufficient to meet the demands of the English home markets. The markets of the Continent are now largely supplied with rice from England. The total imports of rice into the United Kingdom in 1858 were 3,692,023 cwts., and in the same year 1,199,662 cwts. were exported to foreign countries. The consumption of rice in this country has greatly increased. In 1858, 1,744,913 cwts. were retained for home consumption, against 322,900 cwts. in 1844.

In recent years, *Oil Seeds* have become a very important article of import into this country, and they are an article which India can furnish in very large quantities. The trade in this article is a good instance of the power of India to meet some of the demands of British commerce. In 1833 and 1834, not more than between 2,000 and 3,000 bushels of *Linseed*, the principal of the oil-seeds, came to England from India. The imports rose in 1835 to 127,000 bushels, but between 1835 and 1850, the increase was not more than to about 200,000 bushels. In 1851, nearly four times this quantity, or 750,000 bushels of Indian linseed, was imported. This increased quantity was almost doubled in the next year, 1852; and in the three years 1852-3 and 4, there was an average importation of 1,415,000 bushels. In 1855, the importation amounted to 2,902,000

bushels, which was double the average of the preceding three years, and four times as much as the importation in 1851. There was a decline of the imports both in 1856 and 1857, but in 1858, the large quantity of 3,333,000 bushels was imported, representing a value of 1,148,500*l*. Before 1855, we obtained *Linseed* principally from Russia; and the war with that country greatly contributed to the large increase in the supply of linseed from India. It is satisfactory to observe that, since the renewal of trade with Russia, and she has again sent us large quantities of linseed, the imports of that article from India continue to show an increase, so much so as to constitute India the largest contributor to our markets of this valuable seed. So recently as 1850, India furnished less than 5 per cent. of our total imports of linseed, whereas in 1858, the proportion of Indian seed amounted to 40 per cent. Linseed and flax seed are enumerated together in our trade returns, and in what has here been said of linseed, both kinds are referred to.

Rape is another oil-seed which is now obtained in considerable quantities from India. From being but a trifling article of import from that part of the world up to 1850, it has subsequently assumed a place of some importance in our trade with India. As in the case of linseed, the imports of rapeseed were much increased in the year 1850, and again in 1855-6; 546,000 bushels were imported from India in 1850 against 104,000 bushels in 1849; 1,119,000 bushels came in 1855, and 2,014,000 bushels in 1856. The value in 1856 was 736,778*l*. The imports in 1857 were much below those of 1856, but they rose again a little in 1858, and amounted to 1,262,000 bushels, of the value of 420,466*l*. Notwithstanding the decline as compared with 1856, the imports of rapeseed from India in 1858 contrast very favourably with the figures for 1850.

England now receives large quantities of *Hides* from India, the imports having risen from 29,337 cwts. in 1833 to 219,239 cwts. in 1857. The importation declined a little in 1858, but it amounted to 193,447 cwts. The value of the Indian hides imported was 1,067,162*l*. in 1857, and 654,201*l*. in 1858. From 1833 to 1839 the average annual importation of hides from India, did not exceed 40,731 cwts.; from 1840 to 1849 it was 85,132 cwts.; and from 1850 to 1858 it was 143,619 cwts. Thus, since 1850, we have, on the average, annually imported from India 102,888 cwts. of hides more than we did between 1833 and 1839, which is an increase of 252 per cent.

Hemp—or rather its substitute, *Jute*—is also an article with which we are now largely supplied by India. Jute was not separately distinguished in the official trade accounts before 1853. It is necessary, therefore, to take together hemp, jute, and other similar substances when comparing the imports for a series of years. Of

these articles we did not import from India more than 34,008 cwts. in 1833; whereas in 1858 the large quantity of 808,956 cwts. was imported, of the value of 685,948*l*. Between 1833 and 1839 the average annual import of Indian hemp and jute was only 79,994 cwts.; between 1840 and 1849 it had not increased to more than 196,471 cwts.; but from 1840 to 1858 the average annual importation was as much as 565,286 cwts. This was an increase over the annual average importation from 1833 to 1839 of 485,292 cwts., or 607 per cent. Of jute alone, the quantities imported were 274,997 cwts. in 1853, and 732,764 cwts. in 1858.

Teak Timber has long been known as a valuable product of India, but it has not been imported into this country to any extent until recently. In 1840 only 1,465 loads were imported. From 1840 to 1846 there was a fluctuating increase in the importations from 1,465 to 8,281 loads, but they fell to 5,836 loads in 1848. In 1849 there was a large increase to 17,449 loads; and, except a large decrease in two of the following years, there was no great variation in the quantity of teak annually imported from India between 1849 and 1856. In 1856, 16,529 loads of Indian teak of the value of 219,560*l*. were imported, but in 1857 the quantities were increased to 26,741 loads, and 327,577*l*. in value; and in 1858 there was a further increase to 37,885 loads, and 376,943*l*. in value. Since 1856, therefore, a very much larger quantity of this valuable timber has been brought to England, and the future demand will probably give it a prominent place in the list of our imports from India.

Sheeps' Wool is the only remaining principal article of import from India that remains to be noticed. Like most of the other articles previously referred to, it is only for a few years past that we have been supplied with any large quantities of wool by India. To show the commencement and growth of this branch of our Indian trade, the imports of 1833 may be taken as a starting point. In that year the registered total import of wool into England from India was 3,721 lbs. In 1834 the total was 67,763 lbs.; in 1835, 295,848 lbs.; and in 1836, 1,086,393 lbs. From this beginning the imports increased to 4,549,520 lbs. in 1851. This quantity had been only once exceeded in the previous fifteen years. In this period there was progress, though at a somewhat slow rate. In 1852 the large increase in our imports of Indian Wool commenced. In that year India sent us 7,879,801 lbs. of wool; in the next year, 1853, as much as 12,398,658 lbs. arrived; and in each of the years 1854, 1855, and 1856, the imports amounted to very nearly 15,000,000 lbs. In 1857 the imports reached 19,341,021 lbs., of the value of 673,493*l*. In 1858, there was rather a smaller importation, the quantities in that year being 17,298,597 lbs., and the value 490,521*l*. Between 1852 and 1857, the increase in the imports was not less than 144

per cent. In 1844 Indian wool amounted to only 3 per cent. of our total imports of wool; but in 1857, 15 per cent. of the wool we imported came from India.

It has been already observed in this Paper, that the trade in many of the articles which are now imported in large quantities from India scarcely existed before the year 1840, and a year or two afterwards. It was not until that period that our Imports from India of

Sugar,		Hides,
Rice,		Hemp,
Linseed,		Wool,

began to assume anything like importance. *Rapeseed* and *Teak Timber* did not enter into our trade with India to any extent until 1850. And as regards all the principal articles of import enumerated in this paper, the really large trade which now exists did not commence till ten years later, or so recently as the years 1850 to 1853.

III.—Exports to India.

Having thus noticed the growth and extent of the supply of the most important raw materials for manufactures, and articles of food, which India affords to the English markets, we may proceed to examine the demand in India for the manufactured productions of England. The progress of our Exports to India has been even more favourable than that of our imports from that country. The following observations on our exports to India will have reference only to the produce and manufactures of the United Kingdom.

Beginning with the year 1815, the year after the opening of the trade, it appears that the declared value of British exports to India was then 2,565,761*l*. In 1818 there was an increase to 3,572,164*l*., and between that amount, and a total of about 4,500,000*l*., the value of our exports to India varied annually from 1818 to 1839. During that period of twenty-one years there was but little increase in the consumption of British Goods in India. It is to be remembered, however, that after the year 1818 there was a decline in the general export trade of the United Kingdom, and that the value of the total exports in that year was not again equalled before the year 1835.

In 1840 we exported to India to the amount of 6,023,192*l*., and during the next ten years, to 1850, there was a variation from a million below that amount to a million above it. In 1850 our export trade to India reached the value of 7,242,194*l*., and it did not vary much from that amount in the four years from 1850 to 1853.

There was an advance of nearly two millions in the value of our produce sent to India in 1854, in which year the amount was 9,127,556*l*. A further increase took place in each of the next three

years, 1855, 1856, and 1857; the total British exports to India amounting to 11,666,714*l.*, in 1857, which was an increase of two millions and a half over 1854. In 1858 there was an extraordinary increase of five millions over 1857, the value in 1858 being as much as 16,782,515*l.*

The amount of our export trade to India in 1858 is quite surprising; it is but little short of double the value of the trade only five years previously, in 1854, when there was a large increase over the previous year. Considering the state of India in 1857 and 1858, the large increase of its trade with England in those years is a very unexpected and unusual result. The foreign commerce of a country, especially the import branch, is generally greatly diminished when a state of internal disorder prevails. Notwithstanding the magnitude of the supply of British produce to India in 1858, there is a fair prospect of the amount in that year not forming the limit of what India is capable of taking from us. The monthly trade accounts show a most satisfactory state of trade to India in the present year. The returns of our exports in the first six months of 1859, exhibit a large increase in the value of our produce taken by India over the corresponding period in 1858 and 1857. The value of British produce exported to India in the first six months of 1859 amounts to 10,109,563*l.*; an amount, for half a year only, exceeding the exports to India for the whole of so recent a year as 1855.*

A concise view of the progress of our *Exports* to India will be obtained from a comparison of their average annual value between the years when a maintained increase of trade commenced.

In the long period from 1818 to 1839, when no particular alteration took place, we exported to India to the value of 3,620,000*l.*, on an annual average—from 1840 to 1849, the average value for each year was 5,700,000*l.*—from 1850 to 1853 it was 7,000,000*l.*—and from 1854 to 1858, it was 11,600,000*l.*

Thus, from 1850 to 1853, we find the annual average value nearly *twice* as large as it was before 1840; and from 1854 to 1858 more than *three times* greater than from 1818 to 1840. The percentage of the increase is—

58 per cent. in 1840 to 1849 over 1818 to 1839;

23 per cent. in 1850 to 1853 over 1840 to 1849; and

66 per cent. in 1854 to 1858 over 1850 to 1853.

The principal articles that we send to India are *Cotton Manufactures* and *Yarn*; *Iron and Steel*, wrought and unwrought; *Copper*, wrought and unwrought; and *Woollen Manufactures*.

* The total value of our exports to India in 1859 has since been published, and it amounts to the large sum of 19,832,699*l.*

Cotton Manufactures are the chief article of our exports to India, in fact, India is the best customer we have for the most important of our industrial productions. In 1834 the value of our *Cotton Manufactures* exported to India did not exceed 943,504*l.* and it continued under two millions until 1839. In that year, 2,285,918*l.* was the value of our cotton goods that went to India. An increase to 3,182,530*l.* was made in 1843, but this amount was not much exceeded before 1850, when the value of 4,127,709*l.* was reached. In 1851, 1852, and 1853, there was a decrease to amounts rather below 4,000,000*l.*; but in 1854 as much as 5,319,109*l.* of our cotton manufactures were exported to India. From this amount there was a fall in 1855, and, although an improvement took place in 1856, and also in 1857, the value in these two years did not equal that of 1854. In 1858, however, a great advance was made, and in that year India took our cotton manufactures to the value of 8,414,684*l.* Large as this amount is, it will probably be much exceeded in the present year, as, for the first half of it only, there has been an export to the amount of 6,094,433*l.*

Although the great advance that has taken place in the export of our Cotton Manufactures to India since 1834, is forcibly shown by a comparison of the *value*, it will be well to state also the *quantities* exported for some of the years. Between 1834 and 1858 there must have been a great reduction in the cost price of Cotton Manufactures, and it is, therefore, not surprising to find that there is a much larger increase in the quantities than in the value. In 1858, as compared with 1834, whilst the *value* was about *nine* times as great, the *quantity* was nearly *twenty* times larger. In 1834, the quantity was only 39 million yards, but, in 1858, it numbered as many as 728 million yards.

Besides the manufactured stuffs, *Cotton Yarn* is exported to India in considerable quantities. The increase in the exports of yarn has not been equal to that of the stuffs. The value of the yarn exported to India was 315,583*l.* in 1834, and double that amount in 1838. From 1838 to 1849 it varied between about 600,000*l.* and 1,000,000*l.* From 1850 to 1857, rather more than a million was maintained in each year. In 1858 the value rose to 1,835,142*l.* The quantity increased from 4 million lbs. in 1834, to 34 million lbs. in 1858. The total value of our exports of cotton stuffs, and yarn, to India in 1858, amounted to 10,249,826*l.*, and formed 62 *per cent.* of the aggregate exports to India. The percentage of our exports of cottons to India in 1858, as compared with our *total* export of cottons in that year, was 25 *per cent.* for *stuffs*, and nearly 20 *per cent.* for *yarn*.

The export of *Iron and Steel* to India has increased considerably in recent years. The value of these articles, wrought and un-

wrought, (excluding machinery, hardwares, and cutlery,) amounted to 104,340*l.* in 1834. From 1834 to 1853, the value varied from 100,000*l.* to 300,000*l.* In 1854 it reached 453,413*l.*, and in 1855 it rose to 1,242,853*l.* From this sum it increased to 1,902,157*l.* in 1858. The quantity was 11,693 tons in 1834, and 196,474 tons in 1858. The great increase in the export of *Iron* to India in 1855, and the subsequent years, is mainly caused, no doubt, by the demand for Railroad iron. This demand will, doubtless, increase in future, and will cause large quantities of our iron to be shipped to India. *Machinery*, principally of other kinds than steam-engines, has been exported to India since 1855, to the value of little less than half a million annually.

The trade to India in *Hardwares* and *Cutlery* is improving. In 1853 they were exported to the value of 120,004*l.*, and in 1858 to the value of 251,831*l.* The exports to India of *Copper*, and of *Woollen Manufactures*, have increased in recent years. In 1858, the value of British copper sent to India was 680,170*l.*, and the value of woollen manufactures was 541,745*l.*

The increase in our trade with India has afforded much additional employment for our *Shipping*. The tonnage of British vessels entered from India, in 1834, was 75,461 tons, cleared to India, 90,833 tons; in 1840, the amounts were 137,883 and 179,204 tons; in 1850, 247,307 and 260,037 tons; and in 1858, 507,136 and 461,179 tons. Of late years foreign ships have, of course, participated in the trade to some extent, and in 1858, 68,910 tons of foreign shipping entered, and 118,677 cleared, from and to India, at ports in the United Kingdom, in addition to the tonnage of British vessels.

A comparison of the Statistics of the past and present state of the British Trade with India cannot fail to afford much satisfaction to all who take an interest in the future relations of England and her Indian Empire. It is not only apparent that India produces, abundantly, several articles of which we need a very large and increasing supply, but it can take as well as give. Large as are now our import and export trades with India, and surprising as is the increase in them, when compared with periods not long past, there are many reasons to believe, and to hope, that the future will much surpass the present. The railroad, the steamboat, and the electric telegraph have yet to operate on India. These powerful agents, that British capital and enterprise will give to India, must so advance the material interests of the country, that the future commerce between England and India will exceed what can now be supposed to be probable.
